## STATE RISK MANAGEMENT WORKERS COMPENSATION FUND INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2006

Part	ſ																		Current	Prior Year	3 Years	5 Years
LARGE CAP DOMESTIC EQUITY   Structured Growth   146,766   3.9%   4.2%   2.57%   0.29%   158,894   4.2%   4.2%   4.95%   127,966   3.4%   4.2%   3.06%   126,895   4.3%   4.2%   5.45%   11.12%   7.56%   NA   NA   NA   NA   NA   NA   NA   N																		FYTD	FY05			
Lange   Cap DomeSTIC EQUITY   Structured Growth   146.766   3.9%   4.2%   2.57%   0.29%   158.894   4.2%   4.2%   4.9%   127.966   3.4%   4.2%   3.06%   126.685   4.3%   4.2%   5.45%   11.12%   7.56%   N/A   N/A   Fussel 1000 Growth   146.766   3.9%   4.2%   4.2%   4.2%   4.2%   4.2%   4.2%   4.9%   127.966   3.4%   4.2%   3.06%   126.685   4.3%   4.2%   5.45%   11.12%   7.56%   N/A   N/A   Fussel 1000 Growth   1.6%   6.6%   1.6%   1.6%   1.6%   1.6%   1.6%   1.6%   1.6%   1.6%   1.2%		Mankat Makes					Manhat Malua				Manhatila				Manhat Malua		_		NI-4	NI-4		
Structured Growth   146,766   3.9%   4.2%   2.57%   0.29%   158,894   4.2%   4.9%   127,966   3.4%   4.2%   3.06%   126,885   4.3%   4.2%   5.45%   11.12%   7.55%   N/A   N	LARGE CAR DOMESTIC FOLLITY	Market value	Actual	Policy	Net ROR I	vet ROR	Market value	Actual	Policy	Net ROR	Market value	Actual	Policy	Net ROR	Market value	Actual	Policy	Net ROR	ivet	inet	inet	ivet
Los Angeles Capital   146.766   3.9%   4.2%   2.57%   0.29%   158.894   4.2%   4.2%   4.2%   4.95%   127.966   3.4%   4.2%   3.06%   126.865   4.3%   4.2%   5.45%   11.12%   7.55%   N/A N/A Russell 1000 Growth   3.09%   3.09%   3.09%   3.09%   3.09%   2.96%   3.09%																						
Total Friedrick Growth   146,766   3.9%   4.2%   2.57%   0.29%   158,894   4.2%   4.2%   4.9%   4.9%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.2%   4.9%   4.9%   4.2%   4.2%   4.9%   4.2%   4.9%   4.2%   4.2%   4.9%   4.2%		146,766	3.9%	4.2%	-2.57%	0.29%	158.894	4.2%	4.2%	4.95%	127.966	3.4%	4.2%	3.06%	126.685	4.3%	4.2%	5.45%	11.12%	7.56%	N/A	N/A
Structured Value   156,615   4.2%   4.2%   1.25%   1.12%   1.64,520   4.3%   4.2%   6.54%   123,957   3.3%   4.2%   1.27%   127,560   4.3%   4.2%   5.0%   15.05%   18.35%   N/A   N/A   N/A   Russell 1000 Value   Russell 1000 Chanaced Index   1.6 Gpt   1.																						
LSV 156,615 4.2% 4.2% 1.25% 1.12% 164,520 4.3% 4.2% 5.54% 123,957 3.3% 4.2% 1.52% 1.27,560 4.3% 4.2% 5.06% 15.05% 18.35% N/A N/A N/A Russell 1000 Enhanced Index LA Capital Russell 1000 Enhanced Index LA Capital Russell 1000 N/A N/A SAP 500 Enhanced Index Vestings 337,351 9.0% 8.3% -1.40% 0.15% 343,455 9.0% 8.3% 4.26% 264,419 7.1% 8.3% 2.10% 244,980 8.3% 8.3% 3.56% 8.7% 6.58% N/A N/A SAP 500 Enhanced Index Vestings 100,10% 1.40% 0.15% 343,455 9.0% 8.3% 4.26% 264,419 7.1% 8.3% 2.10% 244,980 8.3% 8.3% 3.64% 8.77% 6.58% N/A N/A SAP 500 Enhanced Index Vestings 104,331 0.14% 0.15% 105,327 4.19% 105,327 2.8% 4.19% 105,32	Russell 1000 Growth				-3.90%	-0.39%				3.09%				2.98%				4.01%	6.12%	1.68%	N/A	N/A
Russell 1000 Value Russell 1000 Enhanced Index LA Capital Russell 1000 Enhanced Index LA Capital Russell 1000 Enhanced Index LA Capital Russell 1000 Enhanced Index Russell 1000 Enhanced Index Russell 1000 Sarphone Index Russell 2000 La Capital Russell 2000 Russell Russe	Structured Value																					
Russell 1000 Enhanced Index LA Capital  286,783 7.6% 8.3% -2.38% 0.55% 294,863 7.7% 8.3% 4.98% 254,202 6.8% 8.3% 2.29% 253,021 8.6% 8.3% 6.45% 11.58% 7.93% N/A N/A N/A Russell 1000  3.6% 0.13%	LSV	156,615	4.2%	4.2%	1.25%	1.12%	164,520	4.3%	4.2%	6.54%	123,957	3.3%	4.2%	1.52%	127,560	4.3%	4.2%	5.06%	15.05%	18.35%	N/A	N/A
LA Capital Russell 1000	Russell 1000 Value				0.59%	0.64%				5.93%				1.27%				3.88%	12.10%	14.06%	N/A	N/A
Russell 1000  SAP 500 Enhanced Index Westridge  337,351 9.0% 8.3% -1.40% 0.15% -1.44% 0.14% -1.4	Russell 1000 Enhanced Index																					
S&P 500 Enhanced Index Westridge 337,351 9.0% 8.3% -1.40% 0.15% 343,455 9.0% 8.3% 4.26% 264,419 7.1% 8.3% 2.10% 2.09% 3.60% 8.63% 6.2% INA INA SAP 500 104,331 0.05% 1.66% 105,327 0.419% 81,140 0.20% 81,159 0.35.8% 9.51% 6.27% INA INA SAP 500 104,331 0.8% 2.8% 2.8% 2.8% 2.8% 1.65% 1.05% 1.05% 1.05% 1.05% 1.05% 1.05% 1.05,327 0.8% 1.49% 81,140 0.2% 2.8% 2.07% 81,159 0.35.8% 9.51% 6.27% INA INA SAP 500 104,331 0.8% 2.8% 2.8% 1.65% 1.05% 1.05% 1.05,327 0.8% 1.05	LA Capital	286,783	7.6%	8.3%	-2.36%	0.55%	294,863	7.7%	8.3%	4.96%	254,202	6.8%	8.3%	2.29%	253,021	8.6%	8.3%	6.45%	11.58%	7.93%	N/A	N/A
Nestridge   337,351   9.0%   8.3%   -1.40%   0.15%   343,455   9.0%   8.3%   4.26%   264,419   7.1%   8.3%   2.10%   244,880   8.3%   8.3%   3.64%   8.77%   6.58%   N/A   N	Russell 1000				-1.66%	0.13%				4.49%				2.12%				3.95%	9.08%	7.92%	N/A	N/A
Nestridge   337,351   9.0%   8.3%   -1.40%   0.15%   343,455   9.0%   8.3%   4.26%   264,419   7.1%   8.3%   2.10%   244,880   8.3%   8.3%   3.64%   8.77%   6.58%   N/A   N	S&P 500 Enhanced Index																					
Index   State   Street   104,331   2.8%   2.8%   1.06%   105,327   2.8%   2.8%   4.19%   81,140   2.2%   2.8%   2.07%   81,159   3.58%   9.51%   6.27%   N/A   N		337,351	9.0%	8.3%	-1.40%	0.15%	343,455	9.0%	8.3%	4.26%	264,419	7.1%	8.3%	2.10%	244,980	8.3%	8.3%	3.64%	8.77%	6.58%	N/A	N/A
State Street 104,331	S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	N/A	N/A
State Street 104,331	Index																					
S&P 500 -1.44% 0.14% 0.14%		104,331			-0.58%	1.06%	105,327			4.19%	81,140			2.07%	81,159			3.58%	9.51%	6.27%	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY    1,031,847   27.4%   27.8%   -1.3%   0.51%   1,067,058   28.0%   27.8%   4.88%   851,683   22.8%   27.8%   2.2%   833,406   28.2%   27.8%   4.9%   10.95%   8.89%   N/A   N/A	Total Index	104,331	2.8%	2.8%	-0.58%	1.06%	105,327	2.8%	2.8%	4.19%	81,140	2.2%	2.8%	2.07%	81,159	2.8%	2.8%	3.58%	9.51%	6.27%	N/A	N/A
SMALL CAP DOMESTIC EQUITY  Manager-of-Managers  SEI  345,076 9.2% 9.3% -5.84% -0.45% 0.81% 14.49% 279,552 7.5% 9.3% 0.98% 276,546 9.4% 9.3% 5.49% 13.58% 9.32% N/A N/A  Russell 2000 + 200bp -4.54% 0.81% -4.54% 0.81% 14.49% 16.6% 16.6% 11.64% 5.21% 16.86% 11.64% N/A N/A  TOTAL SMALL CAP DOMESTIC EQUITY  345,076 9.2% 9.3% -5.84% -0.45% 366,026 9.6% 9.3% 13.24% 279,552 7.5% 9.3% 0.98% 276,546 9.4% 9.3% 5.49% 13.58% 9.32% N/A N/A  Russell 2000  -5.02% 0.64% -5.02% 0.64% 13.94% 279,552 7.5% 9.3% 0.98% 276,546 9.4% 9.3% 5.49% 13.58% 9.32% N/A N/A  DOMESTIC FIXED INCOME  Core Bond  Western Asset  789,267 20.9% 20.0% -0.34% 0.23% 782,119 20.5% 20.0% -0.44% 655,923 17.6% 20.0% 0.28% 601,395 20.4% 20.0% -0.41% -0.90% 7.14% N/A  Lehman Aggregate  -0.08% 0.21% -0.65% -0.65% -0.65%  Index	S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	N/A	N/A
SMALL CAP DOMESTIC EQUITY  Manager-of-Managers  SEI  345,076 9.2% 9.3% -5.84% -0.45% 0.81% 14.49% 279,552 7.5% 9.3% 0.98% 276,546 9.4% 9.3% 5.49% 13.58% 9.32% N/A N/A  Russell 2000 + 200bp -4.54% 0.81% -4.54% 0.81% 14.49% 16.6% 16.6% 11.64% 5.21% 16.86% 11.64% N/A N/A  TOTAL SMALL CAP DOMESTIC EQUITY  345,076 9.2% 9.3% -5.84% -0.45% 366,026 9.6% 9.3% 13.24% 279,552 7.5% 9.3% 0.98% 276,546 9.4% 9.3% 5.49% 13.58% 9.32% N/A N/A  Russell 2000  -5.02% 0.64% -5.02% 0.64% 13.94% 279,552 7.5% 9.3% 0.98% 276,546 9.4% 9.3% 5.49% 13.58% 9.32% N/A N/A  DOMESTIC FIXED INCOME  Core Bond  Western Asset  789,267 20.9% 20.0% -0.34% 0.23% 782,119 20.5% 20.0% -0.44% 655,923 17.6% 20.0% 0.28% 601,395 20.4% 20.0% -0.41% -0.90% 7.14% N/A  Lehman Aggregate  -0.08% 0.21% -0.65% -0.65% -0.65%  Index	TOTAL LARGE CAP DOMESTIC FQUITY	1.031.847	27.4%	27.8%	-1.39%	0.51%	1.067.058	28.0%	27.8%	4.88%	851.683	22.8%	27.8%	2.20%	833.406	28.2%	27.8%	4.97%	10.95%	8.89%	N/A	N/A
SMALL CAP DOMESTIC EQUITY  Manager-of-Managers  SEI  345,076 9.2% 9.3% -5.84% -0.45% 0.81%  Russell 2000 + 200bp  1-4.54% 0.81%  TOTAL SMALL CAP DOMESTIC EQUITY  Russell 2000  345,076 9.2% 9.3% -5.84% -0.45% 0.81%  10.86% 11.64% N/A N/A  TOTAL SMALL CAP DOMESTIC EQUITY  Russell 2000  345,076 9.2% 9.3% -5.84% -0.45% 0.81%  10.86% 11.64% N/A N/A  TOTAL SMALL CAP DOMESTIC EQUITY  Russell 2000  10.86% 0		1,001,041	27.470	27.070			1,001,000	20.070	27.070		001,000	22.070	27.070		000,400	20.270	27.070					
Manager-of-Managers SEI 345,076 9.2% 9.3% -5.84% -0.45% 366,026 9.6% 9.3% 13.24%  Russell 2000 + 200bp  TOTAL SMALL CAP DOMESTIC EQUITY Russell 2000  TOTAL SMAL						*******								,				,.				
SEI 345,076 9.2% 9.3% -5.84% -0.45%	SMALL CAP DOMESTIC EQUITY																					
Russell 2000 + 200bp	Manager-of-Managers																					
TOTAL SMALL CAP DOMESTIC EQUITY Russell 2000  345,076 9.2% 9.3% -5.02% 0.64% -5.02% 0.64% -5.02% 0.64%  13.94%  279,552 7.5% 9.3% 0.98% 276,546 9.4% 9.3% 5.49% 13.58% 9.32% 14.58% 9.45% N/A N/A N/A  DOMESTIC FIXED INCOME Core Bond Western Asset 1.13%  4.69% 14.58% 9.45% N/A N/A N/A N/A Lehman Aggregate -0.08% 0.21% -0.08% 0.21% -0.65% -		345,076	9.2%	9.3%			366,026	9.6%	9.3%		279,552	7.5%	9.3%		276,546	9.4%	9.3%					
Russell 2000 -5.02% 0.64% 13.94% 1.13% 4.69% 14.58% 9.45% N/A N/A  DOMESTIC FIXED INCOME Core Bond Western Asset 789,267 20.9% 20.0% -0.34% 0.23% 782,119 20.5% 20.0% -0.44% 655,923 17.6% 20.0% 0.28% 601,395 20.4% 20.0% -0.41% -0.90% 7.14% N/A Lehman Aggregate -0.08% 0.21% -0.65% 0.59% -0.65% -0.65% -0.65% -0.65% -0.67% -0.81% 6.80% N/A N/A Index	Russell 2000 + 200bp				-4.54%	0.81%				14.49%				1.64%				5.21%	16.86%	11.64%	N/A	N/A
DOMESTIC FIXED INCOME  Core Bond  Western Asset  Lehman Aggregate  Index  Lehman Aggregate  Lehman Agg	TOTAL SMALL CAP DOMESTIC EQUITY	345,076	9.2%	9.3%	-5.84%	-0.45%	366,026	9.6%	9.3%	13.24%	279,552	7.5%	9.3%	0.98%	276,546	9.4%	9.3%	5.49%	13.58%	9.32%	N/A	N/A
Core Bond Western Asset 1789,267 20.9% 20.0% -0.34% 0.23% 782,119 20.5% 20.0% -0.44% 655,923 17.6% 20.0% 0.28% 601,395 20.4% 20.0% -0.41% -0.90% 7.14% N/A N/A Lehman Aggregate -0.08% 0.21% -0.65% -0.65% -0.65% -0.65% -0.65% -0.65% -0.67% -0.81% 6.80% N/A N/A Index	Russell 2000				-5.02%	0.64%				13.94%				1.13%				4.69%	14.58%	9.45%	N/A	N/A
Core Bond Western Asset 1789,267 20.9% 20.0% -0.34% 0.23% 782,119 20.5% 20.0% -0.44% 655,923 17.6% 20.0% 0.28% 601,395 20.4% 20.0% -0.41% -0.90% 7.14% N/A N/A Lehman Aggregate -0.08% 0.21% -0.65% -0.65% -0.65% -0.65% -0.65% -0.65% -0.67% -0.81% 6.80% N/A N/A Index																						
Western Asset     789,267     20.9%     20.0%     -0.34%     0.23%     782,119     20.5%     20.0%     -0.44%     655,923     17.6%     20.0%     0.28%     601,395     20.4%     20.0%     -0.41%     -0.90%     7.14%     N/A     N/A       Lehman Aggregate     -0.08%     0.21%     -0.08%     0.21%     -0.65%     -0.65%     -0.59%     -0.67%     -0.81%     6.80%     N/A     N/A       Index     -0.08%     -0.08%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20%     -0.21%     -0.20																						
Lehman Aggregate         -0.08% 0.21%         -0.65%         0.59%         -0.67%         -0.81%         6.80%         N/A         N/A           Index		700 007	00.00/	00.00/	0.040/	0.000/	700 440	00 50/	00.00/	0.440/	055 000	47.00/	00.00/	0.000/	004 005	00.40/	00.00/	0.440/	0.000/	7.4.40/	NI/A	NIZA
Index		789,267	20.9%	20.0%			782,119	20.5%	20.0%		655,923	17.6%	20.0%		601,395	20.4%	20.0%					
					-0.00%	0.2176				-0.05%				0.59%				-0.07 %	-0.61%	0.00%	IVA	IVA
		740.000	40.00/	00.00/	0.000/	0.040/	700 000	40.40/	00.00/	0.050/	500 1 10	45.00/	00.00/	0.500/	550.047	40.00/	00.00/	0.700/	4 4 407	4.500/		
Bank of ND 712,062 18.9% 20.0% -0.03% 0.24% 700,089 18.4% 20.0% -0.95% 590,143 15.8% 20.0% 0.56% 556,047 18.8% 20.0% -0.72% -1.14% 4.59% N/A N/A Lehman Gov/Credit (1) -0.14% 0.23% -1.01% -1.01% -1.01% -0.60% -0.60% -0.60% -1.52% 4.80% 1.04% 4.78%		712,062	18.9%	20.0%			700,089	18.4%	20.0%		590,143	15.8%	20.0%		556,047	18.8%	20.0%					
Y'	, ,				-0.1476	0.23%				-1.01%				0.00%				-0.90%	-1.52%	4.00%	1.0470	4.70%
BBB Average Quality		<b>202 0</b> 2 2	22.251	00.051	0.0001	0.4007		00 Ec.	00.051	4.0057	054555	47 501	00.051	0.5057	F0.4 F	00.001	00.051	4.0551	0.4457	0.4.51		
Wells Capital (formerly Strong) 787,958 20.9% 20.0% -0.63% 0.10% 779,500 20.5% 20.0% -1.02% 654,558 17.5% 20.0% 0.58% 594,567 20.2% 20.0% -1.05% 2.11% 9.14% N/A		787,958	20.9%	20.0%			779,500	20.5%	20.0%		654,558	17.5%	20.0%		594,567	20.2%	20.0%					
Lehman US Credit BAA -0.60% 0.16% -1.20% 0.39% -0.97% -2.37% 8.60% N/A N/A	Lenman US Credit BAA				-0.60%	0.16%				-1.20%				0.39%				-0.97%	-2.31%	8.60%	N/A	IVA
TOTAL DOMESTIC FIXED INCOME 2,289,287 60.8% 60.0% -0.33% 0.20% 2,261,707 59.4% 60.0% -0.79% 1,900,625 50.9% 60.0% 0.46% 1,752,009 59.4% 60.0% -0.73% -1.39% 6.14% N/A N/A	TOTAL DOMESTIC FIXED INCOME	2 280 287	60.8%	60.0%	-0 33%	0.20%	2 261 707	50 4%	60.0%	-0.70%	1 900 625	50.0%	60.0%	0.46%	1 752 000	50 4%	60.0%	-0 73%	-1 30%	6 14%	N/A	N/A
Lehman Aggregate (2)  -0.08% 0.21% -0.65% -0		2,203,207	00.078	00.078			2,201,707	J3.4/0	00.078		1,900,023	30.370	00.078		1,732,009	J3.4 /0	00.078					
2.57.7 (2.57.7) (3.57.7) (3.57.7) (3.57.7) (3.57.7)	Lorinan Aggrogato (2)				0.0070	0.2170				0.0070				0.0070				0.0770	0.0170	7.2070	74/71	74//
CASH EQUIVALENTS	CASH EQUIVALENTS																					
Bank of ND 101,175 2.7% 3.0% 1.26% 0.42% 114,333 3.0% 3.0% 1.17% 700,490 18.8% 3.0% 1.07% 88,464 3.0% 3.0% 0.93% 4.50% 2.46% N/A N/A		101,175	2.7%	3.0%	1.26%	0.42%	114,333	3.0%	3.0%	1.17%	700,490	18.8%	3.0%	1.07%	88,464	3.0%	3.0%	0.93%	4.50%	2.46%	N/A	N/A
90 Day T-Bill 1.16% 0.38% 1.03% 0.92% 0.83% 4.00% 2.15% N/A N/A	90 Day T-Bill				1.16%	0.38%				1.03%				0.92%				0.83%	4.00%	2.15%	N/A	N/A
														_								
TOTAL RISK MANAGEMENT FUND 3,767,385 100.0% 100.0% -1.00% 0.24% 3,809,125 100.0% 100.0% 1.79% 3,732,350 100.0% 100.0% 0.95% 2,950,425 100.0% 100.0% 1.49% 3.25% 5.88% N/A N/A		3,767,385	100.0%	100.0%			3,809,125	100.0%	100.0%		3,732,350	100.0%	100.0%		2,950,425	100.0%	100.0%					
POLICY TARGET BENCHMARK -0.87% 0.24% 2.06% 1.09% 1.08% 3.37% 6.01% N/A N/A	PULICY TARGET BENCHMARK				-0.87%	0.24%				2.06%				1.09%				1.08%	3.37%	6.01%	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

<sup>(1)</sup> From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index. (2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.